



China's Role in Asia: Access and Anti-Access



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National Defense University's Center for Technology and National Security Policy and Institute for National Strategic Studies recently co-hosted a conference focused on China's growing role in Asia, Chinese regional strategies, and the implications for U.S.-China relations and the U.S. presence in the Western Pacific. Participants included practitioners, policymakers, and academics from across the U.S., as well as representatives from Asia-Pacific region.

Executive Summary¹

A number of overarching themes and tentative conclusions emerged from the conference:

- China's regional strategy is driven by concerns about maintaining rapid domestic economic growth to help ensure political stability and preservation of CCP rule. Access to Asian markets, raw materials, and production networks is vital for continued Chinese growth.
- China's recent diplomatic strategy of engagement and reassurance has been remarkably effective in easing regional fears of a rising China. China's neighbors are encouraged by China's willingness to defer maritime territorial disputes, constructive involvement in regional institutions, and increases in foreign aid, but still retain some anxiety over the implications of China's continued rise.
- Concerns over threats to its territorial sovereignty (especially with respect to Taiwan), sea lanes of communication (SLOCs), and energy security have led China to develop anti-access capabilities designed to deny a more powerful conventional navy access to nearby maritime regions.
- The People's Liberation Army (PLA) is introducing a range of anti-access capabilities, including diesel submarines, ballistic and cruise missiles, space and cyber weapons, and more advanced naval forces. The United States maintains a sizable military advantage, but these capabilities have the potential to seriously threaten U.S. military access to the region.
- Most participants agreed that Chinese concerns about vulnerability to a cutoff of sea lanes of communication and energy supplies are exaggerated.
- Participants agreed there is a serious incompatibility between a Chinese strategy that aims to deny access to Asian waters and a U.S. strategy based on economic access to the region and on the need for military access to fulfill obligations to allies.
- Chinese policy-makers are likely to confront a dilemma between their economic need for unfettered access to Asia and an anti-access strategy that increases anxiety among neighbors and regional actors due to China's growing military capabilities and aggressive diplomatic conception of territorial sovereignty.
- The tensions between China's access and anti-access strategies may create opportunities for the United States and other regional actors to move China toward accepted international positions on sovereignty and freedom of navigation issues.

¹ The views expressed in this report are those of conference participants and do not reflect the official policy or position of the National Defense University, the Department of Defense, or the U.S. government.

China's Role in Asia

China's leadership no longer appeals to communist ideology to legitimate its political position. PRC leaders believe the survival of the Chinese Communist Party (CCP) depends on bringing tangible benefits to a public accustomed to rising living standards and increasing economic opportunity. Economic growth ensures political stability and preserves continued CCP rule.

Maintaining rapid domestic economic growth requires a stable international system, cooperation with the United States, and access to other Asian economies. Asia represents China's largest export market and investment destination; imports of raw materials and components from Asia are vital for China's economic growth. Furthermore, 60 percent of Chinese exports are produced by foreign-invested firms that are part of interconnected production networks throughout Asia. Economic access to Asia is critical for China's economic modernization and foreign policy.

Aggressive Chinese military actions in the mid-1990s, including China's pursuit of territorial claims in the Spratly Islands and Taiwan, alarmed China's neighbors and reinforced concerns about a "China Threat." Chinese leaders recognized that perceptions of a belligerent or revisionist China threatened access to Asia and as a result domestic economic growth. In response, China adopted a strategy of reassurance towards its neighbors aimed at calming these fears. This policy emphasized military restraint and a greater willingness to engage China's neighbors in a constructive and multilateral fashion. China introduced the "New Security Concept" in 1997, which emphasizes principles such as equality, mutual respect, non-interference, and resolution of conflict through dialogue that resonate with regional norms. China's contributions to containing the effects of the 1997 Asian Financial Crisis, partnership with the Association of Southeast Asian Nations (ASEAN), and willingness to sign the Declaration of Conduct in the South China Sea and the ASEAN Treaty of Amity and Cooperation helped improve relations with its neighbors.

China's new diplomatic approach and impressive economic accomplishments have earned China new international prestige and accelerated its rise as a great power while easing anxiety associated with its growing influence in Asia. China has made a number of positive contributions that have helped expand its regional influence, including:

- Significantly expanded contributions to UN peacekeeping activities
- Embarked on programs abroad promoting Chinese language and culture
- Improved the quality of its diplomatic corps
- Extended foreign aid and promoted infrastructure projects throughout Asia

Most Asian countries now view China primarily as an economic opportunity rather than a potential threat. However, many experts and regional leaders question the future implications of China's rising influence. Many Asian countries are becoming more dependent on exports to China to maintain growth, while China's relative dependence on its regional economic partners is not increasing at the same rate. China is now the number one trading partner for many nations in the region, and China's domestic and foreign aid programs in the region (often focused on infrastructure) tie Asian countries even more closely to the Chinese economy. Although China represents an economic opportunity, it is also a tough competitor in many industries.

Countries in the region have welcomed China's willingness to discuss territorial issues and defer difficult sovereignty disputes, but in the larger picture China's leaders have made very few territorial concessions of substance. On issues China deems crucial to internal development, such as the building of dams which adversely affect Southeast Asian countries downstream, China has been slow to respond to the concerns of neighbors. Finally, China's military modernization efforts have proceeded in tandem with economic development. Defense spending has grown by annual double-digit real increases every year over the last decade and the PLA, traditionally focused on land-based capabilities, now increasingly directs military modernization towards power projection capabilities such as missiles, air power, and naval expansion.

Despite these important reservations, most Asian countries have embraced China's restraint in the use of military power and constructive engagement with its neighbors and welcome China's greater role in regional institutions. One participant stated, "...on balance, I see a lot of form, rather than substance...but if one does a net assessment, the Chinese campaign has been remarkably successful."

China's Sea Lanes of Communication

Much of China's access to Asia and to global markets relies on sea lanes of communication (SLOCs). With the shift in China's economic weight towards coastal cities and decreased likelihood of land-based invasion, China's strategic thought has also shifted towards the sea. Participants agreed that China now views its main strategic threats as arriving by sea, including Taiwan, threats to China's maritime trade routes, and China's vulnerable eastern sea board.

Presenters and other participants agreed that China sees a wide-range of potential threats and security rationales underpinning the need for naval modernization. Presenters identified concerns over territorial integrity, protection of maritime resources, non-traditional security threats, and national prestige as strategic drivers of China's naval expansion. An analysis of PLA defense writings suggests that another of China's primary strategic concerns is the vulnerability of SLOCs to hostile pressure. However, there was general agreement among participants that this concern is somewhat exaggerated.

Using energy as a proxy, one presenter challenged common assumptions about the vulnerability of Chinese SLOCs and seaborne energy supplies by analyzing the feasibility of a blockade of China's energy supplies. The conclusion was that despite the perceived viability of such a strategy, a naval blockade of China's oil and natural gas supplies would not be a practical option for pressuring the PRC. In any supply side blockade, distant blockade, close blockade, blockade by convoy, or precision attacks on oil infrastructure scenario a number of problems make successful implementation very difficult. Even the world's largest navy would have tremendous difficulty conducting such a geographically expansive, legally-uncertain, and time-consuming campaign to the extent necessary to seriously pressure Chinese energy supplies. Experts argued China would be well-positioned to weather the crisis using a combination of overland oil supply routes and pipelines, indigenous oil production, and austerity measures. Another participant pointed out that indigenous coal fulfills the majority of China's energy needs. To overcome these

practical obstacles to an effective energy blockade, a hostile power would have to escalate further militarily or politically, likely undermining the intended limited nature of a blockade.

These discussions led participants to question why both Chinese and U.S. policy-makers and security analysts appear so focused on this scenario. Even if China's SLOCs are not as vulnerable as analysts on both sides commonly believe, experts suggested that PLA Navy bureaucratic interests may push the SLOC argument as a rationale for naval expansion.

China's Anti-Access Strategy

The other side of China's Asia strategy is a growing emphasis on "anti-access" or "area denial" capabilities. This strategy is designed to counter a larger and more conventionally superior navy that threatens vital strategic or economic interests on China's maritime periphery. One participant pointed out that the PRC, like the Soviet Union during the Cold War, cannot compete head-to-head with a navy like that of the United States. The naval buildup required would be too expensive, too threatening to other regional actors, and the necessary capabilities (such as multiple carrier battle groups) would require many years to develop. Instead, China is attempting to find alternative methods to pose credible threats to modern naval forces such as aircraft carrier strike groups. The aim of this approach is to avoid a direct naval competition with superior U.S. battle groups while denying them the ability to access China's coastal waters, including the area surrounding Taiwan.

An "anti-access" strategy offers China two important advantages: it is relatively inexpensive and it is inherently defensive. By relying on relatively passive, highly integrated information networks to acquire and track targets, an anti-access force can operate without presenting an overtly aggressive aspect to potential adversaries. Examples may include fleets of surveillance-capable fishing boats, satellite networks, ground-based radar, UAV air patrols, or cyber security teams. Information-intensive warfare also employs fewer forces. By emphasizing joint doctrine, existing capabilities can improve their effectiveness via coordination and timely intelligence rather than increased manpower. A smaller footprint and increased presence are compatible with China's overall diplomatic and military posture.

In sum, an anti-access strategy offers China an effective but inexpensive and less threatening means to safeguard vital maritime interests. It also provides an opportunity for the PLA to build its forces according to its own timetable. Finally, the strategy emphasizes technology and forces which may be flexibly employed for a range of non-traditional security tasks.

Tools of China's Anti-Access Strategy

China relies on a wide array of military and non-military capabilities and strategies to implement its "anti-access" strategy. In recent years, PLAN development has focused heavily on submarines. This includes an emphasis on quieter diesel submarines (as opposed to noisier nuclear-powered submarines, which the U.S. Navy is better able to track). One expert estimated the PLAN would need about 60 modern diesel submarines to effectively counter three carrier US battle groups. China currently has about half that number, but continues to build submarines at a high rate.

China has increasingly invested in advanced anti-ship cruise missiles as a key component of its anti-access arsenal. Many of China's diesel submarines are capable of carrying the SS-N-27 Sizzler anti-ship missile. An increasingly modernized surface fleet and air force are also equipped with anti-ship cruise missiles, including SS-N-22 Sunburns on the modern Sovremenny-class destroyers purchased from Russia. Multiple participants also highlighted China's often forgotten stockpiles of naval mines that, if utilized, could be very dangerous, especially to submarines.

Participants highlighted a number of technologies China is attempting to develop to supplement these capabilities. PRC researchers are testing the potential use of anti-ship ballistic missiles (ASBMs) to attack targets such as aircraft carriers. The work is still preliminary, but successful deployment of this capability would represent a serious challenge to traditional surface vessels and carrier strike groups which are not equipped to defend against this threat. China is developing both space and counter-space capabilities. One participant defined China's counter-space capabilities as "a form of deterrence aimed at convincing adversaries that China can inflict unacceptable losses on an opponent's space assets." China also relies on an increasingly sophisticated Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) capability that relies on space-based assets (and therefore requires maintaining access to space). These intelligence and communications capabilities are especially important for targeting naval vessels.

Collectively, these capabilities constitute a growing Chinese "anti-access" capability that may allow countering traditional naval capabilities operating near China at a relatively low cost.

However, obstacles remain. Successful use of these capabilities requires quick and actionable C4ISR capabilities. Many participants pointed out that even the best-trained militaries with the most advanced military hardware still experience difficulty in tracking moving naval forces. Despite improvements in China's C4ISR capability, most analysts question the effectiveness of current Chinese capabilities in this realm, especially in a wartime environment.

Utilizing these advanced capabilities also requires an increased use of satellites and space-based capabilities. This poses a dilemma for the Chinese. Certain aspects of China's "anti-access" strategy directly target a potential adversary's C4ISR capabilities, including space-based, cyber, and network assets. China's reliance on C4ISR will increase as PLA forces pursue "informationization", making China more vulnerable to similar attacks in the future.

Dilemmas in the Asia-Pacific region

Most participants agreed that China's naval modernization will continue regardless of what happens in the Taiwan Strait. There are ample logical reasons (coastal protection, resources, non-traditional security concerns, and territorial integrity) for China to expand its naval capabilities as well as other less logical reasons (SLOC protection, nationalism, and prestige) The combined effect of these rationales will continue to move Chinese naval expansion forward. China's use and development of an "anti-access" strategy and capabilities creates a number of dilemmas in the Asia-Pacific region.

One participant highlighted significant differences between Chinese and U.S. perceptions of sovereignty within an exclusive economic zone (EEZ). The United States considers the EEZ to be international waters, while China considers it to lie within the state's zone of control. These differences have serious implications for surveillance and reconnaissance flights, natural resources, and pollution. Some elements within China are emphasizing the importance of "legal" warfare to shape interpretations of international law and international conventions in ways that reflect Chinese conceptions of sovereignty and desirable international norms. These differences in legal understandings and approaches are potential areas of collision between the United States, China, and the international community.

Participants raised concerns about the inherent incompatibility of Chinese and U.S. regional strategies. U.S. strategy in the Asia-Pacific relies on political, military, and economic access to the region to pursue U.S. interests and fulfill commitments to allies. A Chinese "anti-access" strategy and associated military capabilities will directly threaten this fundamental aspect of U.S. policy. Many participants questioned the degree to which the United States could live with a China that employs this regional strategy and whose ultimate motives remain unclear.

Conclusion

A number of participants worried that effective Chinese anti-access capabilities may eventually threaten the ability of U.S. military forces to operate in the Western Pacific and weaken American security guarantees to allies in the region. This would have serious implications for U.S. allies and other nations that rely on the U.S. military presence to maintain regional stability. However, most participants agreed that China's capabilities are not yet at the point to create this scenario. The United States maintains a significant advantage in soft power throughout Asia and in hard power over Chinese military forces in the region. Analysts worried, however, that the balance in the region may be shifting. One participant referred to the situation in Asia as a "capabilities competition" rather than a full blown arms race. A number of participants pointed out that the United States will have to adapt to a changing regional security environment in an atmosphere of limited budgets and resources.

One theme that emerged from discussions is the tension between the Chinese need for access to and through Asia and PRC efforts to develop military capabilities that may deny access to others. Aggressive Chinese pursuit of extreme positions on sovereignty and maritime disputes would undercut its reassurance efforts and stimulate opposition from key regional powers. This tension may create opportunities for the United States and other regional actors to move China toward accepted international positions on sovereignty and freedom of navigation issues. Another key theme was the disjuncture between Chinese assessments of significant threats to its SLOCs and the assessment of U.S. participants that it would be difficult for any country to cut off China's oil imports. Discussions also highlighted the need for U.S.-China cooperation on a range of regional and global issues, including peacekeeping, disaster relief, and climate change. Bilateral and multilateral cooperation on energy security and maritime security may provide opportunities to address both Chinese concerns about SLOC vulnerability and U.S. concerns about freedom of navigation.